

# **Estoppel after *Firecraft***

Michael Edenborough QC

Wednesday, 14<sup>th</sup> April 2010

CIPA

serle court

# ***Firecraft* in the Registry**

- Decision of Mr Allan James (Hearing Officer) dated 18 November 2008
- Discovery, cross-examination, 7 hour hearing
- Firecraft invalidated FPF's TM on basis of s.5(4)(a) – earlier passing off right.
- FPF did not appeal

serle court

# Firecraft in High Court

- *Evans (t/a Firecraft) v Focal Point Fires plc*  
[2009] EWHC 2784 (Ch)
  - Firecraft brought passing off proceedings in HCt
  - Decision of Peter Smith J on summary judgment application
  - FPF prevented from contesting liability on grounds of cause of action estoppel, issue estoppel and abuse of process
  - Matter has now settled

# ***Res Judicata: Cause of Action estoppel***

- May arise from a final decision of a court of competent jurisdiction
- *Thoday v Thoday* [1964] P 181, Diplock LJ

“**cause of action estoppel**...prevents a party from asserting or denying as against the other party, the existence of a particular cause of action the existence or non-existence of which has been determined by a court of competent jurisdiction in previous litigation between the same parties.”

“**issue estoppel** is an extension of the same rule of public policy...”

# Abuse of process

- *Henderson v Henderson* (1843) 3 Hare 100
- *Johnson v Gore Wood* [2002] 2 AC 1, Lord Bingham

*“Henderson v Henderson* abuse of process, as now understood, although separate and distinct from cause of action estoppel and issue estoppel, has much in common with them. The underlying public interest is the same: that there should be finality in litigation and that a party should not be twice vexed in the same matter.”

# Spambuster

- *Hormel Foods Corp v Antilles Landscape Investments NV* [2005] EWHC 13 (Ch); [2005] E.T.M.R. 54; [2005] R.P.C. 28
  - Invalidation proceedings on relative grounds brought in Registry. Unsuccessful.
  - Subsequent invalidation proceedings on absolute grounds brought in HCt
  - **Held:** cause of action estoppel and abuse of process

serle court

# *Special Effects*

- *Special Effects Ltd v L'Oréal SA*, [2007] EWCA Civ 1; [2007] Bus. L.R. 759; [2007] E.T.M.R. 51; [2007] R.P.C. 15
  - L'Oréal brought opposition proceedings in the Registry. Unsuccessful.
  - Special Effects Ltd brought infringement proceedings; L'Oréal counterclaimed for invalidity
  - **Held:** opposition proceedings are not final, so no estoppel arises.

# ***OEI v Omega SA: abuse of process***

- ***Omega Engineering Inc v Omega SA***: [2004] EWHC 2315 (Ch); [2005] FSR 12, 214 (Rimer J)
- TMR proceedings for revocation for non-use. Ordered as from the application date.
- Appeal failed to secure revocation from earlier date (***Omega SA v Omega Engineering Inc***: [2003] EWHC 1334 (Ch); [2003] FSR 49, 893 (Jacob J)).
- 2<sup>nd</sup> Action in HCt for revocation from an earlier date was an abuse of process



# Current situation

- Registry is a court of competent jurisdiction: its decisions may give rise to estoppels
- No distinction in principle between absolute and relative grounds (*sed quaere*: correct?)
- There is a distinction in principle between opposition and invalidation
- Estonian trade mark registry issue
- CA's approach uncertain: not much enthusiasm for *Spambuster* approach

serle court

# Effect of *Firecraft*

- Registry proceedings need to be taken seriously
- Potential for a “cheap” way of establishing passing off
- Of wider application: *e.g.* invalidity action in Registry based on earlier right, followed by HCt infringement claim

serle court

# Registry Practice

- Tribunal Practice Notice (TPN 6/2009)
  - Invalidation actions that include grounds under ss5(1) – 5(4) TMA 1994 will be decided following a hearing
  - Parties or their legal representatives “will be required to attend the hearing”

# Michael Edenborough QC

## ■ Contact Details:

- Serle Court, 6 New Square, Lincoln's Inn, WC2A 3QS
- (t) 020 7242 6105
- (e) MEdenborough@SerleCourt.co.uk

## ■ MA (Natural Sciences) (Cantab), DPhil (Biophysics) (Oxon)

- All areas of IP law and practice, in particular patents, trade marks, copyright and designs. Over 75 reported cases since 2000, of which two thirds were appeals or JRs. Appeared often before the GC/CJ and in the EPO (Legal and Technical BoA). Acted for the Comptroller-General of Patents (*Yeda*, HLs, CA, PatCt), the Registrar of Trade Marks (*General Cigars* and *Land Securities*, both appeals to the ChD) and the UK government (*adidas*, ECJ).